



The 283rd meeting of the Rhode Island Student Loan Authority was held on **Friday, January 28, 2011** in the 2nd floor Conference Room, 560 Jefferson Boulevard, Warwick, Rhode Island. Members in attendance:

Dr. Anthony J. Santoro
Dr. William Croasdale
Mr. John Howell
Mr. Joseph Pratt, Designee for State General Treasurer Raimondo

Members absent:
Honorable Robert J. McKenna
Ms. Patricia Doyle

Others in attendance:
Mr. Charles P. Kelley, Executive Director, RISLA
Mr. Noel Simpson, CFO, RISLA
Mr. Joseph Palumbo, General Counsel
Mr. Kevan McAleer, Controller, RISLA
Ms. Jennifer Dutch, RISLA
Mr. Chad Pastorius, RISLA
Ms. Lindie Thibodeau, RISLA
Mr. Peter Kirwin, RIHEAA

The meeting was called to order at 12:00 PM by Dr. Santoro.

Upon a motion made by Dr. Croasdale and seconded by Mr. Howell it was unanimously

VOTED: to accept and approve the minutes of the December 14, 2010 Board Meeting.

Chairman's Report

Dr. Santoro did not have a report.

Executive Director's Report

Mr. Kelley discussed the RIFEL bond transaction that closed in December 2010 that will fund loans for the 2011/2012 academic year. Dr. Santoro asked if Rhode Islanders will exhaust those funds? Mr. Kelley indicated that he believes RISLA will exhaust those funds. Mr. Howell asked if there is a maximum borrowing amount. Mr. Simpson indicated that the maximum is the cost of attendance less any other aid. Dr. Santoro noted that there are no borrower benefits associated with these loans. Mr. Pratt asked if students are able to obtain funds through other sources. Mr. Kelley stated that students are able to obtain funds from other sources such as variable rate loans from banks that carry a higher interest rate. Dr. Santoro inquired as to whether or not the availability of the new funds should be advertised and how to reach high school students located in Massachusetts. Mr. Kelley stated that RISLA can advertise the loan program but colleges and universities cannot unless they have conducted a formal RFP process in accordance with Department of Education guidelines.

Mr. Kelley noted the retirement of David Souto as Deputy Director and announced that Mr. Simpson has assumed all the Deputy Director responsibilities.

Mr. Kelley spoke briefly about Jobzle

Mr. Kelley discussed the change in the health care provided to staff by RISLA. It is projected to save RISLA approximately \$50,000 for the remainder of this fiscal year and approximately \$100,000 in the next fiscal year.

Mr. Kelley briefly discussed in house servicing.

Mr. Kelley addressed the VRDN and Letter of Credit with State Street and that it will be maturing on August 15, 2011. He stated that RISLA is looking to refinance before the maturity date.

Dr. Santoro inquired about the ARS bond buy backs. Mr. Simpson stated that RISLA has bought back over \$250 million in ARS this fiscal year through December.

Dr. Croasdale noted that he has completed an SAT pilot program in Providence and is planning an SAT program for 5th and 6th graders as well. He also mentioned that College Goal Sunday will take place nation wide this Sunday, January 30th to help students and families with filling out and filing the FASFA.

Upon a motion by Dr. Croasdale and seconded by Mr. Howell it was unanimously

VOTED: to have legal counsel draft up an ethics statement for the Board and staff to follow.

College Planning Center Update :

Mr. Kelley mentioned the new online appointment system being utilized by the CPC and how it is minimizing the number of calls that the staff receives

Dr. Santoro asked if the staff could trace and provide information on the percentage of Southern Rhode Islanders who have obtained help from the CPC due to the Bristol location, as well as the percentage of all Rhode Islanders who have utilized the services of the CPC. He also asked for a comparison to prior years.

Mr. Howell inquired about the high percentage of Pawtucket residents who have obtained help from the CPC. Mr. Simpson noted that this was in large part due to the College Fair that was held at the Pawtucket Red Sox McCoy stadium. Mr. Howell then inquired if it would be beneficial to do more group events.

Financial Report:

Mr. McAleer reviewed the financial statements.

Dr. Croasdale asked about the investments and where they are. He asked the staff to provide details on where the funds are currently invested.

Upon a motion from Mr. Howell and seconded by Dr. Croasdale it was unanimously

VOTED: to enter into executive session under RIGL 42-46-5 (a)(7) the "Investment of Public Funds."

At 1:35 PM, open session reconvened.

Dr. Santoro stated that one vote was taken during executive session, which was to forgive the balance on any non federal loan due to the death of the student borrower.

The board asked the Executive Director to report back on the tax implications to the borrow and co-borrower regarding the vote.

Upon a motion made by Mr. Howell and seconded by Mr. Pratt it was unanimously

VOTED: to seal the minutes of the executive session.

Upon a motion from Mr. Howell and seconded by Mr. Pratt it was unanimously

VOTED: to adjourn.

Adjournment was at 1:51 PM.

John Howell
Secretary